

Contract Amendment  
May 20, 2008  
2008 Election Year ballot pricing

This Contract Amendment to the Subcontract Agreement between Election Systems and Software ("ES&S") and Paramount Printing ("Paramount") dated July 1, 2005 ("Original Agreement") is to provide a temporary pricing agreement for the 2008 election year which serves to catch up the quantity deficit in the Original Agreement that carries forward from 2006 and 2007.

Per Exhibit C in the original agreement, ES&S' total volume commitment for 2006 through 2007 is 13 million ballots. Actual production in 2006-2007 was 5 million ballots. That left a deficit of 8 million ballots.

In our meeting at ES&S on May 7, 2008 (Ron Rauert, Fred Walther, Jon Cummins attending), taking into consideration all previous production and payments, we agreed to convert ES&S' 06-07 deficit from a quantity to \$900,000 and agreed to make up the deficit with a price increase of \$.075 per ballot for the remainder of 2008.

To date Paramount has produced approximately 1.5 million ballots in 2008 at the contract rate. ES&S' total commitment for 2008 is 13 million ballots. The additional \$.075 @ 11.5 million remaining ballots will yield \$862,500 toward ES&S' deficit.

After the 2008 General Election, the total volume produced at the higher rate will be calculated and the total dollar figure of the increase (number of ballots times \$.075) will be reconciled against the \$900,000 make up amount obligation. Any shortfall will be made up in a single payment by ES&S to Paramount before 12/31/2008.

The above does not address any shortfall that will arise if the 13 million quantity commitment for 2008 is not met. It only fixes the deficit from Exhibit C in the Original Agreement for 2006 and 2007. Any shortfall from the 2008 quantity of 13 million ballots will be made up by ES&S in a lump sum payment to Paramount before 12/31/2008 at the rate of \$.125 per ballot.

ES&S and Paramount agree to the forgoing, and that except as provided above, the Original Agreement shall remain in full force.

For Election Systems and Software

Printed Name

Ron Rauert

Signature

Ron Rauert

Title

Director Printing Soc.

For Paramount Printing

Printed Name

JON CUMMINS

Signature

Jon Cummins

Title

CEO / PRESIDENT